

ADMINISTRATIVE INTERNAL USE ONLY

8 August 1973

MEMORANDUM FOR THE RECORD

SUBJECT: Briefing of a Senate Subcommittee Staff
Official on Panama and Costa Rica, 7
August

STATINTL

1. On 7 August the undersigned went to Capitol Hill with Mr. [] of the Office of the Legislative Counsel in order to brief Mr. Jack Blum, a senior staff assistant of the Multilateral Corporations Subcommittee of the Senate Foreign Relations Committee. Mr. Blum explained that he was about to visit Panama, Costa Rica, and the Cayman Islands in connection with his work for the subcommittee and was anxious to get a little background on these areas before he left. The briefing that followed was informal and punctuated by frequent questions from Mr. Blum. While some of his questions could have been answered more comprehensively by an economist, he evidently was satisfied with the information provided him.

2. We proceeded by first describing briefly the current state of play in the US-Panama talks on a new canal treaty and about the importance such a treaty holds for the Torrijos regime. This was followed by some remarks on the current domestic political scene in Panama and by some brief comments on foreign-based and local economic and financial developments affecting Panama, on the government's receptivity toward and involvement in questionable or downright crooked financial deals, the narcotics trade, and similar topics. A similar range of subjects was discussed on Costa Rica. On that country, Mr. Blum was partic-



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3. Since early in our conversation Mr. Blum referred to the difficulty he was having in finding information on the Cayman Islands, I offered to provide him with a copy of a survey of the islands that had been recently published in the London Financial Times. Copies of this article and other pertinent documents have been provided to [] office for forwarding to Mr. Blum.

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Western Hemisphere Division, OCI

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